

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK
RATIONALIZATION SERVICE CHANGES, 2012

DOCKET No. N2012-1

**PARTIAL OBJECTION OF THE UNITED STATES POSTAL SERVICE TO
NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY
(NPMHU/USPS-T8-6)**

The United States Postal Service hereby files this partial objection to the above-identified interrogatory of the National Postal Mail Handlers Union ("NPMHU") filed on January 11, 2012. The interrogatory is stated verbatim and followed by a statement of the basis for the objection.

NPMHU/USPS-T8-6. Has the Postal Service calculated the cost and possible savings from implementing a voluntary retirement program or retirement incentive program? If so, please provide those calculations.

In response to Interrogatory NPMHU/USPS-T8-8, also filed on January 11, 2012, the Postal Service intends to provide the costs and projected savings associated with previously offered retirement incentives and voluntary early retirement (VER) programs. The Postal Service submits that this information will be fully responsive to NPMHU/USPS-T8-6 as well.

To the extent that NPMHU/USPS-T8-6 seeks information on the cost and possible savings associated with a future VER program or retirement incentive program, the Postal Service objects because the interrogatory seeks information that is predecisional and deliberative.

Before announcing that a VER program will be made available to postal employees, the Postal Service must develop a proposal and calculate its costs

and benefits. The proposal must then go through a robust internal vetting process during which the proposal and its underlying calculations are subject to change and reevaluation. Therefore, any details concerning the nature and scope of such proposal, as well as the fact that such a proposal has been developed, must be treated as confidential until the program is formally announced by the Postal Service. For the same reason, information concerning retirement incentive offers that have not been formally announced by the Postal Service must also remain confidential.

Moreover, the information sought is not necessary to the consideration of the issues in this docket. The Postal Service does not and cannot claim that any particular mechanism for reducing employee complement – described by USPS witness Rachel (Direct Testimony of Kevin Rachel on Behalf of the United States Postal Service, USPS-T-8, at 15) – will yield specific, quantifiable proportions of a total reduction in complement. The Postal Service has simply identified the mechanisms that it has at its disposal to attempt to achieve the projected labor savings. Information concerning costs and projected savings of VER programs or retirement incentives that may be under consideration and subject to change or revision are not relevant to the consideration of the Postal Service's request in this docket.

Respectfully submitted,

By its attorneys:

KEVIN A. CALAMONERI
Managing Counsel
Corporate and Postal Business Law

MATTHEW J. CONNOLLY
Attorney

475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1137
(202) 268-2998; Fax -5402
January 23, 2012